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ACSI APPENDIX A

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Tab	Description	
Exhibit	Document	Subject
1	<i>Affidavit of James C. Falvey ("Falvey Aff. ")</i>	ACSI implementation, BellSouth checklist compliance
2	<i>Amendment to ACSI/BellSouth Interconnection Agreement</i>	Interconnection terms, conditions and rates
3	<i>Initial Brief of ACSI, FCC File No. E-97-09 (public version)</i>	BellSouth's failures in providing UNEs, INP and interconnection to ACSI in Georgia
4	<i>Reply Brief of ACSI, FCC File No. E-97-09 (public version)</i>	BellSouth's failures in providing UNEs, INP and interconnection to ACSI in Georgia

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of

Application by BellSouth Corporation,
BellSouth Telecommunications, Inc., and
BellSouth Long Distance, Inc., for
Provision of In-Region, InterLATA
Services in South Carolina

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CC Docket No. 97-208

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AFFIDAVIT OF JAMES C. FALVEY

I, James C. Falvey, declare under penalty of perjury that the following is true and correct to the best of my knowledge:

1. I am currently employed by American Communications Services, Inc. ("ACSI" or the "Company") as Vice President of Regulatory Affairs. I am making this Affidavit in support of ACSI's Opposition to the request for authority to provide in-region, interLATA services in South Carolina pursuant to Section 271 of the Communications Act of 1934, as amended, that was filed by BellSouth Corporation, BellSouth Telecommunications, Inc. and BellSouth Long Distance, Inc. (collectively, "BellSouth") on September 30, 1997. The purpose of this Affidavit is to summarize and support the facts set forth by ACSI in its Opposition to BellSouth's request.

DESCRIPTION OF ACSI

2. ACSI is a facilities-based provider of competitive local telecommunications services in South Carolina. ACSI provides integrated local voice and data communications services in mid-sized metropolitan markets primarily in the southern and southwestern United States. ACSI's business strategy is based on supplying customers with advanced telecommunications services through its digital SONET-based fiber optic local networks. As

of September 30, 1997, ACSI had completed construction of local fiber networks in 32 markets and had nine local exchange switches in operation. ACSI plans to install a total of 16 local exchange switches by year end.

3. With many of its markets situated in BellSouth's service territory, ACSI has an acute interest in the irreversible opening of BellSouth's local exchange markets to competition. ACSI has constructed its own local network facilities in every BellSouth state other than North Carolina. Within this territory, ACSI competes with BellSouth, providing a broad array of advanced telecommunications services including data services and dedicated local services to businesses, and local switched voice services to business and residential customers. In North Carolina, ACSI provides certain data transmission facilities even though it has not yet deployed facilities there for transmission of basic telecommunications services.

ACSI'S NETWORK IN SOUTH CAROLINA

4. ACSI took its initial step toward providing local telecommunications services in South Carolina in 1994 when it sought permission to use public rights-of-way in Greenville and Columbia to construct fiber optic facilities. The Company soon expanded its construction plans to include Charleston and Spartanburg. ACSI applied to the South Carolina Public Service Commission ("SCPSC") in early 1995 for authority to provide limited dedicated intrastate services. After delaying action on ACSI's application for over six months, the SCPSC approved ACSI's application on August 31, 1995, but then deferred

the effective date of ACSI's authorization until February 1, 1996. ACSI's local fiber networks in Greenville and Columbia became operational in 1995, and its fiber networks in Charleston and Spartanburg have since become operational as well. ACSI currently provides, or actively is implementing plans to provide, a wide range of local telecommunications services in each of these markets, including dedicated and private line, high-speed data services, IP switching and managed services, local switched voice services, and Internet services. Indeed, a total of 42 office buildings/parks already are on-net and "lit" by ACSI in South Carolina, and the number is growing steadily.

ACSI'S SWITCH INSTALLATION PLANS IN SOUTH CAROLINA

5. ACSI's entry as a full-fledged facilities-based competitor in South Carolina is assured by its firm order for a Lucent 5ESS switch and associated equipment that will be installed in Greenville *during the first quarter of 1998*. The Company also has initiated the negotiation of related collocation arrangements at BellSouth end offices, and is in the process of requesting assignment of NXX codes for use in the Greenville switch. In combination with its existing fiber network facilities, ACSI's Greenville switch will enable it to provide switched local services to existing and new customers in the Greenville area immediately. ACSI plans to use the switch later to provide local switched services in other South Carolina cities by back-hauling traffic to Greenville as necessary. The Company already provides local switched services to hundreds of customers with thousands of lines in South Carolina

through resale. ACSI will begin migrating these customers and lines to its own facilities-based service when its local switch is installed early next year.

ACSI'S INTERCONNECTION AGREEMENT WITH BELL SOUTH

6. As a facilities-based competitive local exchange carrier ("CLEC"), the use of BellSouth unbundled local loops ("ULLs") to connect to individual end-users is a critical component of ACSI's network implementation and market entry strategy. Therefore, ACSI requested local interconnection arrangements from BellSouth on a region-wide basis immediately after passage of the Act.

7. ACSI and BellSouth signed a partial agreement providing local interconnection and access to unbundled network elements ("UNEs"), including ULLs, on July 25, 1996.¹ However, since ACSI and BellSouth were unable to agree on several important issues — including the pricing of ULLs — ACSI petitioned for state commission arbitration of the disputed points in South Carolina and seven other BellSouth states. ACSI believed that the absolute rate levels quoted by BellSouth for ULLs greatly exceeded cost, and objected strongly to BellSouth's refusal to deaverage ULL rates by geographic zone. Before any of these state arbitration proceedings were decided, ACSI and BellSouth agreed on October 17,

¹ A copy of the ACSI/BellSouth Interconnection Agreement is attached to BellSouth's Application at *BellSouth Appendix C* (hereinafter, "*ACSI/BellSouth Interconnection Agreement*").

1997 to an interim solution to settle their differences and incorporated it in an amendment to their interconnection agreement.²

8. The ACSI/BellSouth Interconnection Agreement Amendment establishes *interim* ULL rates subject to a "true-up" based on the conclusion of state commission proceedings which will establish industry-wide cost-based rates for UNEs in each BellSouth state.³ The non-recurring connection charges for ULLs were established via cross-reference to BellSouth's *tariffed* business connection charges for comparable local exchange services and were set at 80 percent of the tariff rate level.⁴ Recurring ULL rates were established by importing the FCC-designated "proxy ceiling" rate for ULLs⁵ for each BellSouth state and *rounding them upward* to the next whole dollar amount. For example, in South Carolina, the FCC's \$17.07 *statewide weighted average proxy ceiling* for ULLs was *rounded-up* to \$18.00.⁶ The interim ULL rates did not reflect the FCC's intention that ULL rates be deaveraged into at least three geographic zones. Moreover, none of these rates were based upon cost information supplied by BellSouth. ACSI agreed to them on the express

² See *Amendment to ACSI/BellSouth Interconnection Agreement*, Oct. 17, 1996 (attached to ACSI's Opposition as Exhibit 2) (hereinafter, "*ACSI/BellSouth Interconnection Agreement Amendment*").

³ *ACSI/BellSouth Interconnection Agreement Amendment*, ¶¶ 2-4.

⁴ *ACSI/BellSouth Interconnection Agreement Amendment*, at Attachment C-2.

⁵ See *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, 11 FCC Rcd 15499, 16221-22, *First Report and Order* (1996) ("*Local Competition Order*").

⁶ *Local Competition Order*, at 16221-22; ¶¶ 764-65.

understanding that (1) they would be applied on an *interim* basis, and (2) that they would be trued-up after cost-based rates were established in state commission cost dockets.⁷ ACSI agreed to this approach principally to avoid further costly delay in implementing its plans to begin offering facilities-based local switched services across the BellSouth region.

9. Soon thereafter, state commissions across the BellSouth service territory, including the SCPSC, approved the ACSI/BellSouth Interconnection Agreement, as amended. To complement its facilities-based/UNE entry strategy, ACSI also sought and entered into a regional local resale agreement with BellSouth in December 1996. ACSI has and will continue to resell BellSouth's services to complement its facilities-based offerings and to serve and build a customer base in advance of facilities installation. However, resale is neither ACSI's primary nor its long term focus. Indeed, ACSI believes that resale of local services alone cannot be profitable in anywhere BellSouth's service territory.

ACSI'S PLANS TO SERVICE COMMERCIAL AND RESIDENTIAL CUSTOMERS

10. With these agreements in place, ACSI entered local markets throughout the South. ACSI installed its first local exchange switch in Columbus, Georgia in late 1996, and since has deployed additional local exchange switches in other states at a feverish pace. In little more than a year, ACSI has completed construction of fiber optic rings in 32 cities and is on track to complete installation of 16 local exchange switches. Indeed, within the BellSouth territory, ACSI already has added local switches in Columbus, Georgia,

⁷ *ACSI/BellSouth Interconnection Agreement Amendment*, ¶¶ 2-4.

Birmingham and Montgomery, Alabama, Louisville, Kentucky and New Orleans, Louisiana during 1997. These switches are being used today to provide a wide variety of local exchange services.

11. Although ACSI's business strategy focuses primarily on business customers, ACSI also will provide facilities-based service to residential callers through multi-tenant dwelling units ("MDUs") and shared tenant service ("STS") providers where it makes economic sense. For example, soon after deploying its local exchange switch in Birmingham, ACSI began providing facilities-based local exchange services to an STS property that serves residential end-users. In that location, ACSI is able to provide a high capacity connection to the concentration equipment of the STS provider who, in turn, arranges service to its individual residential tenants. Moreover, ACSI is interested in offering its switched facilities-based local services on a wider scale to residential customers in South Carolina when an economic ULL pricing structure is established.

12. In South Carolina, ACSI already provides dedicated, facilities-based local services to hundreds of customers located in scores of office buildings in four separate metropolitan areas. With the installation and testing of its Greenville switch in the first quarter of 1998, ACSI immediately will begin to provide facilities-based switched local services to customers it currently serves via resale, and will continue to aggressively market its local switched services in South Carolina. Importantly, as has been the case in other BellSouth states where ACSI has installed switch equipment, the Lucent 5ESS switch that ACSI will install in Greenville will give ACSI the technical capability to provide

facilities-based local telephone services to both business and residential customers in all four of its South Carolina markets. In addition, ACSI recently entered into an agreement to lease a defined amount of its network capacity in Greenville to another CLEC. The CLEC involved already serves a base of local resale customers which, according to that CLEC, is comprised of approximately 10-15 percent residential customers. That CLEC has informed ACSI that the residential customers involved will be migrated via ULLs to the CLEC's leased (from ACSI) network if ULL rates are lowered to economic levels.

13. Importantly, nothing in the ACSI/BellSouth Interconnection Agreement suggests that it must be implemented solely for the purpose of serving business customers. In fact, the ACSI/BellSouth Interconnection Agreement provides that the interconnection accomplished thereby is required to "facilitate the introduction of local exchange competition" without limitation to business, residential or other markets.⁸ Although ACSI's initial entry strategy focuses on providing service to business customers, ACSI is interested in providing facilities-based services to residential customers wherever it can do so profitably. ACSI's provisioning of facilities-based services to an STS provider with residential end-users in Alabama illustrates this point. ACSI's capability to provide local exchange services to residential customers also is evidenced by the fact that its tariff in Colorado expressly obligates the Company to provide local exchange services to all residential consumers who request it in the ACSI service areas in that state. However, as ACSI explained to the SCPSC, BellSouth's current pricing policies for ULLs and other

⁸ *ACSI/BellSouth Interconnection Agreement*, at 1.

UNEs have created a cost-price squeeze that currently makes it economically infeasible to serve individual residential customers directly in South Carolina.

**PROVIDING SERVICE TO RESIDENTIAL CUSTOMERS
IS NOT ECONOMICALLY VIABLE AT PRESENT**

14. Due to BellSouth's pricing of ULLs, and the resulting cost-price squeeze, ACSI's provisioning of services to residential end-users currently is limited to circumstances where it provides service to MDU operators and STS providers that, in turn, connect residential customers to ACSI's switched local service offerings. Serving other residential customers is not economically viable because in every BellSouth state in which ACSI operates, including South Carolina, the ULL rate exceeds the basic residential rate for local service.

15. Specifically, ACSI must purchase ULLs and related facilities from BellSouth to provide facilities-based local exchange services to individual residential customers. While ACSI is able to replace BellSouth's interoffice transport facilities, tandem switching, local switching and signaling over time, there currently is no economic substitute for the ubiquitous local loop constructed by BellSouth with a century-long monopoly revenue stream. The out-of-pocket cost to ACSI of purchasing ULLs from BellSouth constitutes a direct cost of service to ACSI. In order to provide residential services profitably, ACSI must be able to recoup both the cost of purchasing ULLs from BellSouth and the cost of its own network and overhead in its retail pricing for residential services. At the same time, the market demands

that ACSI's retail prices charged to end-users must be established at or below the rates charged by BellSouth to end-users for comparable services.

16. Unfortunately, BellSouth currently demands a price for ULLs and associated facilities that exceeds the corresponding price charged by BellSouth for residential retail local exchange services. Specifically, in order to serve a residential customer, ACSI currently must pay BellSouth \$18.00 monthly for a 2-wire loop plus \$0.30 for the cross-connect and \$1.15 for INP. *ACSI's per-line out-of-pocket cost to BellSouth is \$19.45, even before ACSI pays for collocation and its own network and overhead, and even without accounting for sizeable nonrecurring service order and installation charges assessed by BellSouth. The applicable interim non-recurring charges total \$59.20 per ULL combined. Assuming that customers churn on average every two years, this raises the effective monthly ULL cost to \$21.92 [(\$59.20 NRC divided by 24) + \$19.45].*

17. By contrast, *BellSouth's retail price for basic residential service in South Carolina is only \$16.45.* Since ACSI must purchase ULLs from BellSouth at a cost that alone exceeds BellSouth's residential retail rates, neither ACSI nor any other CLEC currently is able provide residential service in South Carolina profitably. Consequently, BellSouth's current ULL pricing creates a cost-price squeeze which constitutes a barrier to entry for potential providers of facilities-based residential services.

18. To remove this barrier to entry, BellSouth would have to lower its prices for ULLs and related UNEs substantially. Importantly, this dilemma is derivative of the *interim* rates offered to ACSI by BellSouth. There is no reason that such a cost-price squeeze must

be a permanent condition of the market. The interim rates which ACSI accepted in order to be able to begin providing service were established *without* reference to TELRIC costing principles. They also suffer from the fact that the rates apply *statewide*, and are *not deaveraged* to reflect the network efficiencies realized by BellSouth in the urban centers where ACSI competes. Both of these failings can be cured either by BellSouth's voluntary filing of truly cost-based, deaveraged ULL rates, or by the adoption by the SCPSC of such ULL rates. Indeed, the SCPSC has recently initiated a generic cost docket that is examining these precise issues. BellSouth suggests that the SCPSC will conclude that docket in January.⁹ Thus, BellSouth's filing of a Section 271 application prior to the conclusion of related state UNE costing proceedings amounts to "jumping the gun." (The Georgia PSC, Louisiana PSC and the Alabama PSC have each come to the same conclusion by foregoing making a recommendation on BellSouth's Section 271 application until completion of costing dockets.) As the Commission itself recently indicated, the establishment of TELRIC-based, deaveraged ULL rates should be a precondition to the approval of any Section 271 application.¹⁰

19. ACSI and other CLECs have requested that the SCPSC eliminate the residential service cost-price squeeze created by BellSouth's statewide averaged and

⁹ See *BellSouth Brief*, at 33.

¹⁰ See *In the Matter of Ameritech Michigan Application Pursuant to Section 271 of the Communications Act of 1934, as amended, to Provide In-Region, InterLATA Services in Michigan*, CC Docket No. 97-137, *Memorandum Opinion and Order*, ¶ 292 (rel. Aug. 19, 1997) ("*Ameritech-Michigan Order*").

prohibitively high rates for ULLs. ACSI will reassess the economic feasibility of providing widespread local service to individual residential customers in South Carolina after permanent rates have been established by the SCPSC.

20. Notably, ACSI acquired Cybergate, an Internet Service Provider ("ISP"), earlier this year. The Cybergate acquisition gives ACSI access to thousands of dial-up residential Internet customers which logically and potentially could be migrated to ACSI residential services. ACSI also provides dial-up Internet services to residential end-users in Florida.

ACSI'S LOOP PROVISIONING PROBLEMS WITH BELL SOUTH

21. BellSouth's residual monopoly control over local bottleneck facilities has made it ACSI's most critical supplier. At the same time, BellSouth is ACSI's most formidable competitor. Each customer signed by ACSI is a customer taken from BellSouth. Thus, ACSI is dependent on BellSouth's provisioning of UNEs to serve the very customers it captures from BellSouth. It is this unique tension that makes ACSI particularly vulnerable to anticompetitive activity by BellSouth and dependent on BellSouth's progress in opening markets to local competition.

22. The timely and seamless provisioning of ULLs by BellSouth at cost-based rates is fundamental to the success of ACSI's facilities-based entry strategy. However, as explained below, BellSouth's provisioning of ULLs across its service territory to date has been neither timely or seamless, and has not been offered at cost-based rates. Moreover,

BellSouth's provisioning of interim number portability ("INP"), unbundled interoffice transport and operational support systems ("OSS") continues to be inadequate and unreliable.

23. As one of the first CLECs in the southern United States, ACSI has incomparable direct experience with obtaining ULLs, INP and resold local exchange services from BellSouth. Since ACSI began submitting orders in November 1996, BellSouth consistently has failed to meet the Act's requirements that it provision ULLs, INP and resale services in equivalent time-frames and at equal quality with that which it provides to itself when serving similarly situated customers.¹¹ As explained below, BellSouth has unreasonably delayed installation of requested services, failed to coordinate ACSI orders, substantially disrupted service to customers for extended periods during switches to ACSI, and subjected ACSI and its customers to a series of unpredictable and unexplained service disconnections well after initial service was established.

24. Despite ACSI's diligent efforts to work with BellSouth since these problems first appeared, there has been no significant improvement in BellSouth's performance. Far from being the isolated start-up problems which BellSouth suggests,¹² BellSouth's inability to provision services in accordance with the Act is the result of a wholesale systems failure

¹¹ 47 U.S.C. § 251(c)(3); *see id.*, § 271(c)(2)(B) (requiring nondiscriminatory access to unbundled network elements).

¹² *See Affidavit of W. Keith Milner*, ¶¶ 42-46 (hereinafter, "*Milner Aff.*"). In several oblique references to ACSI, Mr. Milner acknowledges "past problems" and "isolated cases of human error" but asserts that all such problems have been corrected. *Id.* The breadth and continuing nature of ACSI's experiences belie the claim that BellSouth's inability to provision ULLs, INP and resale has been cured.

attributable to BellSouth's unwillingness to dedicate adequate resources to meet its obligation to provide reasonable access to UNEs. Documents made publicly-available in BellSouth's Section 271 proceeding in Florida confirm what ACSI has experienced first-hand: the two Local Carrier Service Centers ("LCSCs") established by BellSouth to process orders for resale and UNEs are shockingly ill-prepared for the task. Independent auditors retained by BellSouth found pervasive mismanagement, incompetence and systems failures which made the timely and seamless processing of orders nearly impossible. Moreover, BellSouth's refusal to implement automated order processing procedures for ULLs and to provide detailed, accurate and timely performance measurement and standards has directly contributed to ACSI's inability to receive prompt and reliable installation of ULLs, INP and service resale from BellSouth.

25. As the new player in the market, it is essential that ACSI's services be regarded by customers as at least equal in quality to the services currently provided by BellSouth. Since ACSI likely will be blamed for failed installations, regardless of who actually is at fault, it is critical to ACSI that BellSouth be able to install ULLs and INP on time and without undue customer disruption. To address these concerns, the ACSI/BellSouth Interconnection Agreement expressly provides that, wherever facilities are available, BellSouth will install ULLs by the customer due date, that cutovers will ordinarily be accomplished with a service disruption of no more than 5 minutes, and that installation intervals will be at parity to those achieved when BellSouth provides service to its own

end-users. Specifically, Section IV.D. of the ACSI/BellSouth Interconnection Agreement requires each of the following:

- Installation intervals must be established to ensure that service can be established via ULLs in an equivalent time-frame as BellSouth provides services to its own customers, as measured from the date upon which BellSouth receives the order to the date of customer delivery.
- On each UNE order in a wire center, ACSI and BellSouth will agree on a cutover time at least 48 hours before that cutover time. The cutover time will be defined as a 30-minute window within which both the ACSI and BellSouth personnel will make telephone contact to complete the cutover.
- Within the appointed 30-minute cutover time, the ACSI contact will call the BellSouth contact designated to perform cross-connection work and when the BellSouth contact is reached in that interval, such work will be promptly performed.
- The standard time expected from disconnection of a live Exchange Service to the connection of the UNE to the ACSI collocation arrangement is 5 minutes.
- If ACSI has ordered INP as part of a ULL installation, BellSouth will coordinate implementation of INP with ULL installation.

Further, BellSouth agreed that the installation and service intervals for UNEs *"shall be the same as when BellSouth provisions such network elements for use by itself, its affiliates or its own retail customers."*¹³

26. In states where ACSI has submitted orders for ULLs and INP, BellSouth routinely has failed to provide these elements in accordance with the Act or applicable ACSI/BellSouth Interconnection Agreement standards. ACSI's problems in obtaining ULLs

¹³ ACSI/BellSouth Interconnection Agreement, Section IV.E.3 (emphasis added).

and INP from BellSouth fall into three categories: (1) BellSouth's failure to acknowledge orders and provision them on a timely basis; (2) extended periods of disconnected service during the transition from BellSouth to ACSI coupled with a failure to coordinate INP installation with ULL installation; and (3) inexplicable disconnections and service quality problems (*e.g.*, static, noise and clicking) after service is installed.

27. Despite repeated requests, BellSouth has not put in place firm provisioning intervals for (1) the time between placement of an order by ACSI and receipt of a "firm order commitment" ("FOC") from BellSouth, and (2) the time between receipt of an order and its implementation. Although BellSouth offered in December 1996 to provide FOCs within 48 hours of placement of an order and to provision ULLs within 5 days of an ACSI order, it has not agreed to amend the ACSI/BellSouth Interconnection Agreement to memorialize the commitment, and has not put the proposed intervals into practice. Indeed, BellSouth routinely fails to return FOCs within 48 hours and installations often occur well after five days.

28. Even when BellSouth provides a FOC, it often misses its own installation date. For example, in Florida, BellSouth missed the installation date for one customer (with 82 access lines) three times in one week. BellSouth originally promised installation on Wednesday, August 13, 1997 but failed to show up. The installation was rescheduled for Thursday, August 14 at 5 p.m., but cancelled at 4:30 that day, when ACSI was informed that an error had caused the order to be kicked out of the system. BellSouth then promised to install the lines the next day, Friday, August 15 at 9 a.m. By 10:00, however, the

BellSouth technician had not yet arrived, and service was not connected until approximately noon that day.

29. Problems with BellSouth's provisioning began with the very first orders ACSI submitted in its first service market, Columbus, Georgia. On November 19 and 20, 1996, ACSI placed its first three orders for ULLs. Each order involved the conversion of two or fewer POTS lines (the simplest possible cutover) coupled with a request for INP. ACSI submitted each of these orders manually in accordance with the process established in the ACSI/BellSouth Interconnection Agreement and BellSouth guidelines. Rather than coordinating these orders with ACSI, BellSouth *unilaterally* administered the cutover without contacting ACSI. Moreover, BellSouth completely failed to accomplish the cutover smoothly or seamlessly. Two of the initial three customers were entirely disconnected for 4-5 hours each. No outgoing calls could be placed, and persons calling the customer received an intercept message indicating that the number no longer was in service. The disconnection lasted approximately 50-60 times longer than the 5 minute interval called for in the ACSI/BellSouth Interconnection Agreement. The third customer was disconnected for the entire day on which conversion was scheduled, causing severe inconvenience and disruption to the customer.

30. Moreover, after the loop connection was established, ACSI learned that BellSouth had failed to implement INP as ordered. As a result, ACSI's new customers neither could dial out nor receive incoming calls on their lines. Calls dialed to the old (BellSouth) telephone number received an intercept message stating that the number had been

disconnected. Because these customers were companies with a significant number of incoming calls from their customers, BellSouth's failure to provision INP substantially disrupted their business.

31. The severity of these initial problems forced ACSI to suspend its submission of ULL orders in order to preserve its own business goodwill. Several months later, ACSI was forced to take the same action in Alabama. At the same time that ACSI instructed BellSouth to place pending orders on hold, BellSouth unsuccessfully attempted to install ULLs for three additional ACSI customers. Service for each of these three customers was disconnected several times while BellSouth attempted to provision ULLs, but ultimately the cutover attempts were abandoned and the customers were reinstated as a BellSouth local service customers.

32. Ultimately, ACSI filed two formal complaints — one with the FCC and one with the Georgia PSC — as a result of its Georgia experience. Both complaints are pending before the respective commissions. Despite the fact that it has been over six months since ACSI filed its first complaint, BellSouth continues to routinely miss installation intervals.¹⁴ Indeed BellSouth continues to greatly exceed the 5-minute cutover interval established in the ACSI/BellSouth Interconnection Agreement and disruptions exceeding two hours are not uncommon. Significantly, BellSouth's performance reports do not document such problems as BellSouth's performance standards only measure due dates met. Despite ACSI's repeated

¹⁴ A chart showing BellSouth's performance in provisioning ULLs during a sample interval taken in mid-April 1997 is attached to ACSI's Opposition as Exhibit 5.

requests, BellSouth refuses to report the number of customers cutover in 5 minutes or less, as is required by the ACSI/BellSouth Interconnection Agreement. This experience is consistent with ACSI's experience in Montgomery and Birmingham, Alabama, where ULL cutovers of an hour to two hours remain commonplace. BellSouth also is routinely starting cutovers later than promised. This lack of punctuality exacerbates lengthy disruptions that occur once installation begins.

33. Since the disastrous beginning in Georgia, ACSI has experienced similar disconnection problems in several other BellSouth states. In Montgomery, Alabama, ACSI's largest customer had 22 lines disconnected due to BellSouth's inability to provision an ACSI order. In that case, ACSI placed a "to and from" order, in which it requested that a trunk be disconnected and replaced with other facilities. The connect portion of the order was halted in the system due to a lack of facilities. However, the disconnect was *not* halted, and the customer had the trunk disconnected with no facilities installed to replace it. By 4 p.m. the following day, BellSouth had restored to service only some of the customer's 22 lines.

34. In sum, BellSouth's inability to avoid lengthy disconnections during the customer cutover process jeopardized ACSI's ability to retain existing customers and to attract new customers to its service. ACSI cannot compete with BellSouth if its customers must endure service outages routinely exceeding 4 hours — or if ACSI is made to appear unable to switch a customer to its service.

35. Unfortunately, BellSouth's provisioning problems do not stop once the initial cutover has been completed. In fact, once service is established, it is often provisioned